

ENGINEERING DIRECTIVES AND STANDARDS

Volume : III

Effective Date : 09/14/2011

Chapter : 1

Subject : **PROMPT PAYMENT TO SUBCONTRACTORS**

Section : 1

Directive : 33

1. PURPOSE:

The purpose of this directive is to establish a uniform policy concerning prompt payment to subcontractors.

2. SCOPE:

This directive covers the Department's policy on prompt payment.

3. POLICY:

In Section H(8) of the Required Contract Provisions for DBE Participation and as stated in LA R.S. 9:2784, a prime contractor must pay all subcontractors within 14 days of receiving payment. Therefore, the prime contractor has 14 days after receiving payment from DOTD to pay all subcontractors including the DBEs. Retainage may not be held.

The contractor's fulfillment of the DBE commitment is monitored throughout the life of the contract. DOTD reserves the right to withhold any partial payment from the contractor when it is determined that a prime is not paying the subcontractors in a timely manner.

4. PROCEDURE:

DBE payments are monitored using the CP-1A form (attached). Beginning with the second estimate period, the contractor must submit a CP-1A reflecting payments from the previous estimate to the Project Engineer. All DBE subcontractors, work items performed, payments made, and totals to date are listed. The project engineer confirms the items were performed by the DBE subcontractor, DOTD paid the prime for those items, and signs the form. A CP-1A form is required for each estimate even if no DBEs worked during that period. The project engineer will then send the originals to the Compliance Office for further handling.

5. OTHER ISSUANCES AFFECTED:

All directives, memoranda or instructions issued heretofore in conflict with this directive are hereby rescinded.

6. EFFECTIVE DATE:

This directive will become effective immediately upon receipt.

RICHARD L. SAVOIE
CHIEF ENGINEER

FORM CP-1A
LOUISIANA DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
CONTRACTOR'S MONTHLY DBE PARTICIPATION

STATE PROJECT NO.	CONTRACTOR:
FEDERAL AID PROJECT NO.	
ESTIMATE NO.	REPORT PERIOD: _____ TO _____

DOTD CERTIFIED DBE SUBCONTRACTOR OR SUPPLIER	ITEMS PERFORMED AND PAID THIS ESTIMATE PERIOD	AMOUNT PAID THIS MONTH ¹	TOTAL PAID TO DATE ¹

¹For suppliers, list total amount paid and the 60 percent value counted toward the goal.

This report covers the previous estimate period and shall be submitted to the Project Engineer with the current month's pay estimate. Estimates will be withheld until required form is submitted. Questions should be directed to the DOTD Compliance Programs Section at (225) 379-1382.

The Contractor certifies that the above amounts were paid to the listed DBEs and that documentation of these payments is available for inspection.

Project Engineer has reviewed this form. _____ (Signature of Project Engineer).

Authorized Signature	
Typed or Printed Name	
Title	
Phone No.	
Date	